GOVERNMENT OF INDIA
SURFACE TRANSPORT
LOK SABHA

UNSTARRED QUESTION NO:3501
ANSWERED ON:17.04.2000
PURCHASE OF TANKERS BY SCI
BHUWAN CHANDRA AVSM (RETD.) KHANDURI

Will the Minister of SURFACE TRANSPORT be pleased to state:

to the reply given to Unstarred Question No.500 dated February 28, 2000 and state :

(a) the details of the two proposals received by the Government from Shipping Corporation of India for acquisition of 7 vessels, i.e. 4 aframax tanker and 3 LR-II crude oil tankers separately;

(b) the details of cost at the individual stage of these proposals ;

(c) the number of times where these proposals were sent back to SCI by the Government and received back from the Shipping Corporation of India alongwith the revised costs and the present cost of these vessels ; and

(d) the time by which these proposals are likely to be finalized ?

Answer

MINISTER OF STATE IN THE MINISTRY OF SURFACE TRANSPORT

(DR. DEBENDRA PRADHAN)

(a) & (b)
The SCI had submitted two proposals to Government for consideration as per detail given below :

(i) Acquisition of four Aframax Tankers of 110,000 DWT each at a cost of US$ 35.98 million per vessel from Hyundai Heavy Industries Limited, South Korea.

(ii) Acquisition of three LR-II Crude oil tankers of 83,500 DWT each - two from Hyundai Heavy Industries Limited, South Korea at a cost of US$ 35.46 million per vessel and one from Indian shipyard viz. Cochin Shipyard Limited, Cochinat net evaluated price of US$ 34.4 million.

(c) The proposals were not sent back to SCI by Government. However, SCI was asked to exercise `due diligence` so as to ensure best competitive and advantageous price, especially in view of the global softening of price of such vessels. In the process, there has been exchange of correspondence between SCI and Government. The SCI have since re-assessed the requirement of crude oil tankers in the light of future need of such tankers by Indian Oil Corporation and decided to go ahead with acquisition of only a limited number of tankers, instead of all three proposed earlier. Now there is no proposal with Government for acquisition of three LR II crude oil tankers.

(d) No time limit could be fixed, however the investment decision can be taken at the earliest possible.